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February 26, 2014

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk / Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29211

RE: Duke Energy Carolinas, LLC Meter Testing Modification Request Docket No. 1995-1082-E

Dear Mrs. Boyd:

The Public Service Commission Rules and Regulations provide the requirements for meter testing and allows sample test plans to be used. In Docket No. 1995-1082-E, the Commission approved Duke Energy Carolinas, LLC's ("DEC" or the "Company") ability to sample test three-phase self-contained non-demand meters. DEC currently has approximately 88,000 three-phase self-contained meters. All of the mechanical meters of this type are being replaced with new electronic meters, including approximately 1,100 three-phase self-contained mechanical demand meters.

Mechanical demand meters were tested more frequently because they required demand tests due to separate timing and gear assemblies to determine the demand value. Modern electronic demand meters do not require these assemblies. The demand value (kW) in an electronic meter is calculated from the same processor that measures the kWh. Thus, if the kWh test is accurate, the demand is accurate.

The Company believes that there is no need to treat electronic demand meter testing differently than testing for non-demand meters, but rather that they be included in a sample test plan. Due to this technology change, DEC is requesting permission to sample test all three-phase self-contained demand meters. The Company's plans will reduce the number of meter types deployed, which will allow for a sample plan to be implemented with a smaller number of homogeneous groups. This meter testing methodology has also been adopted by Florida Power and Light, Georgia Power, and Oklahoma Gas and Electric.

Following the merger, DEC and Duke Energy Progress, Inc. ("DEP") have been reviewing best practices and cost efficiencies that benefit customers. As a result, DEC requests

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approval to change the test frequency of three-phase transformer rated meters consistent with ANSI standards and consistent with the test frequency for such meters previously approved for DEP. The ANSI standard allows for such meters to be tested every 16 years, but as a part of process alignment, both DEC and DEP plan to implement a test frequency of eight years as a common practice.

The Company requests approval of this change at the Commission's earliest convenience, such that the change can be incorporated into the 2014 meter test samples.

Please feel free to contact me should there be any questions.

Sincerely,

Timika Shafeek-Horton Deputy General Counsel

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TSH/bml

cc: Shannon Hudson, ORS

Jeff Nelson, ORS John Flitter, ORS Parties of Record